

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Connecticut Siting Council **Date:** September 22, 2011

Subject Matter of Regulation: Regulations concerning minor modifications to energy facilities under Siting Council jurisdiction.

Regulation Section No.: 16-50j-58 **Statutory Authority:** C.G.S. §16-50j(g)

Other Agencies Affected: None

Effective Date Used in Cost Estimate: September 22, 2011

Estimate Prepared By: Melanie Bachman **Telephone:** 860-827-2951

SUMMARY OF STATE COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: Connecticut Siting Council

Fund Affected: None

	First Year	Second Year	Third Year
	2012	2013	2014
Number of positions			
Personal Services			
Other Expenses			
Equipment			
Grants			
Total State Savings	\$6,000	\$6,000	\$6,000
Estimated Revenue Gain (Loss)			
Total Net State Cost	\$6,000	\$6,000	\$6,000

Explanation of State Impact of Regulation:

The Council filing fee for petitions and exempt modifications is \$625. Petition expenditures are tracked in order that if they exceed the \$625 filing fee, further invoices are issued. If the expenditures do not reach \$625, the petitioner is either credited or rebated the excess funds; however it should be noted that in the vast majority of cases the total costs exceed \$625. For this reason, collecting a \$625 filing fee for energy exempt modifications, rather than filing a petition would have a minimal fiscal impact because, as stated above, the filing fees are identical. Petition costs vary based on the particular proposal. No additional staff would be required to handle the exempt modifications. Processing the exemptions will not ordinarily require a site visit, resulting in Council expenditure savings for state agency vehicle use and gas, as well as per diem and travel reimbursement for the Council members attending the site visit (per diems are

\$200 per event and mileage reimbursement). Assuming 30 petitions in a calendar year are replaced with 20 energy exempt modifications and 10 petition filings, it is estimated that a savings of \$5,000 - \$7,000 may be realized.

Explanation of Municipal Impact of Regulation:

There will be no fiscal impact on municipalities as a result of this regulation.

Explanation of Small Business Impact of Regulation:

The regulatory action will have an affect on small businesses, but will not have an adverse affect on such small businesses. Although the filing fees are identical for petitions and requests for exempt modifications, at present, exempt modifications for telecommunications facilities are processed by staff without a site visit and without Council approval of the exempt modification at a regular meeting. The Council has delegated to staff the authority to approve these exempt modifications. In the current regulations, there is no process for energy exempt modifications, so these modifications are reviewed as petitions for declaratory rulings, which require a site visit and Council approval at a regular meeting. These new regulations for energy exempt modifications would follow the same procedure as the telecommunications exempt modifications and would not have an adverse affect on small businesses.

Is a regulatory flexibility analysis required pursuant to C.G.S. §4-168a? Yes.

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Connecticut Siting Council Date: September 22, 2011

Subject Matter of Regulation: Regulations concerning preparation and review of development and management plans for certain energy facilities under Siting Council jurisdiction.

Regulation Section No.: 16-50j-60 Statutory Authority: C.G.S. §16-50j(g)

Other Agencies Affected: None

Effective Date Used in Cost Estimate: September 22, 2011

Estimate Prepared By: Melanie Bachman Telephone: 860-827-2951

SUMMARY OF STATE COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: Connecticut Siting Council

Fund Affected: None

	First Year	Second Year	Third Year
	2012	2013	2014
Number of positions			
Personal Services			
Other Expenses			
Equipment			
Grants			
Total State Cost	\$1,125	\$1,125	\$1,125
Estimated Revenue Gain (Loss)	\$1,125	\$1,125	\$1,125
Total Net State Cost	\$0	\$0	\$0

Explanation of State Impact of Regulation:

This may increase staff hours on any given project if a Development and Management (D&M) Plan is prepared for a project which did not previously require such a plan. Future proposals that may benefit from this provision are petitions. The public will benefit from increased supervision over such projects. This provision will only be invoked for specific projects which show a greater need for supervision beyond the initial approval process. This provision will not require additional staff. Taking a five year average between 2007 and 2011, the Council received 44 petitions. A liberal estimate of 22 petitions may be subject to the D&M process. An average of 1.5 staff hours are typically expended in reviewing a D&M plan. At an average of \$37 per hour, the estimated cost would be approximately \$1,000 - \$1,250 per year. However, costs associated with staff hours on specific projects are invoiced directly to the project proponent and therefore, are recoverable in full by the Council.

Explanation of Municipal Impact of Regulation:

There will be no fiscal impact on municipalities as a result of this regulation.

Explanation of Small Business Impact of Regulation:

The regulatory action may have an adverse affect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially affected small business. The action would impact approximately 5 energy companies that have gross annual sales of less than five million dollars.¹ Once the Council approves a proposed project, the Council may require the project proponent to prepare a D&M plan for construction of the project or modification to an existing project. Projected costs to small businesses would be engineering and consulting fees to develop construction plans, which are incurred in the construction planning phase of a project whether or not the plans are required to be submitted to the Council. Council approval of the D&M plan is beneficial to the public health, safety and welfare because the Council is able to monitor and control construction activities that may adversely affect residents in the vicinity of the project, including the property owner and abutting property owners of the construction activities. The Council's decision to order preparation of a development and management plan would be discretionary on the basis that some project construction or modification to existing projects may be minor and not require a detailed construction plan.

Is a regulatory flexibility analysis required pursuant to C.G.S. §4-168a? Yes.

¹ These calculations are based on the Annual Retail Gross Revenue amounts reported for energy companies engaged in energy sales in the state in the Council's Fiscal Year 2012 Assessments by Industry pursuant to C.G.S. §16-50v.

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Connecticut Siting Council

Date: September 22, 2011

Subject Matter of Regulation: Regulations concerning preparation and review of development and management plans for certain telecommunications facilities under Siting Council jurisdiction.

Regulation Section No.: 16-50j-75

Statutory Authority: C.G.S. §16-50j(g)

Other Agencies Affected: None

Effective Date Used in Cost Estimate: September 22, 2011

Estimate Prepared By: Melanie Bachman

Telephone: 860-827-2951

SUMMARY OF STATE COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: Connecticut Siting Council

Fund Affected: None

	First Year	Second Year	Third Year
	2012	2013	2014
Number of positions			
Personal Services			
Other Expenses			
Equipment			
Grants			
Total State Cost	\$1,125	\$1,125	\$1,125
Estimated Revenue Gain (Loss)	\$1,125	\$1,125	\$1,125
Total Net State Cost	\$0	\$0	\$0

Explanation of State Impact of Regulation:

This may increase staff hours on any given project if a Development and Management (D&M) Plan is prepared for a project which did not previously require such a plan. Future proposals that may benefit from this provision are petitions. The public will benefit from increased supervision over such projects. This provision will only be invoked for specific projects which show a greater need for supervision beyond the initial approval process. This provision will not require additional staff. Taking a five year average between 2007 and 2011, the Council received 44 petitions. A liberal estimate of 22 petitions may be subject to the D&M process. An average of 1.5 staff hours are typically expended in reviewing a D&M plan. At an average of \$37 per hour, the estimated cost would be approximately \$1,000 - \$1,250 per year. However, costs associated

with staff hours on specific projects are invoiced directly to the project proponent and therefore, are recoverable in full by the Council.

Explanation of Municipal Impact of Regulation:

There will be no fiscal impact on municipalities as a result of this regulation.

Explanation of Small Business Impact of Regulation:

The regulatory action may have an adverse affect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially affected small business. The action would impact approximately 3 telecommunications tower building companies that have less than 75 full-time employees.¹ Once the Council approves a proposed project, the Council may require the project proponent to prepare a D&M plan for construction of the project or modification to an existing project. Projected costs to small businesses would be engineering and consulting fees to develop construction plans, which are incurred in the construction planning phase of a project whether or not the plans are submitted to the Council. Council approval of the development and management plan is beneficial to the public health, safety and welfare because the Council is able to monitor and control construction activities that may adversely affect residents in the vicinity of the project, including the property owner and abutting property owners of the construction activities. The Council's decision to order preparation of a D&M plan would be discretionary on the basis that some project construction or modification to existing projects may be minor and not require a detailed construction plan.

Is a regulatory flexibility analysis required pursuant to C.G.S. §4-168a? Yes.

¹These calculations are based on the Annual Retail Gross Revenue amounts reported for energy companies engaged in energy sales in the state in the Council's Fiscal Year 2012 Assessments by Industry pursuant to C.G.S. §16-50v.

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Connecticut Siting Council Date: September 22, 2011

Subject Matter of Regulation: Regulations concerning increases in fees set in regulations under C.G.S. §4-189j that impact filing fees for facilities under Siting Council jurisdiction.

Regulation Section No.: 16-50v-1a Statutory Authority: C.G.S. §4-189j

Other Agencies Affected: None

Effective Date Used in Cost Estimate: September 22, 2011

Estimate Prepared By: Melanie Bachman Telephone: 860-827-2951

SUMMARY OF STATE COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: Connecticut Siting Council

Fund Affected: None

	First Year	Second Year	Third Year
	2012	2013	2014
Number of positions			
Personal Services			
Other Expenses			
Equipment			
Grants			
Total State Savings			
Estimated Revenue Gain	\$40,000	\$40,000	\$40,000
Total Net State Savings			

Explanation of State Impact of Regulation:

Prior to C.G.S. §4-189j, Council filing fees for docket applications were \$1,000, filing fees for petitions, tower sharing applications and exempt modifications were \$500, and filing fees for statements of intent to acquire real property were \$50. As of October 1, 2009, the filing fees have increased for docket applications to \$1,250, filing fees have increased for petitions, tower sharing applications and exempt modifications to \$625, and filing fees have increased for statements of intent to acquire real property to \$100. Taking a five year average between 2007 and 2011, the Council received 22 docket applications, 44 petitions, 17 tower sharing applications, 265 exempt modifications and 0 statements of intent to acquire real property. The fee increases would result in \$35,000 - \$45,000 estimated revenue gain per year.

Explanation of Municipal Impact of Regulation:

There will be no fiscal impact on municipalities as a result of this regulation.

Explanation of Small Business Impact of Regulation:

The regulatory action may have an adverse affect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially affected small business. C.G.S. §4-189j requires agencies that set fees in regulations to increase the fees in accordance with a specific fee schedule based on amount. The action would impact approximately 3 telecommunications tower building companies that have less than 75 full-time employees and approximately 5 energy companies that have gross annual sales of less than five million dollars.¹ Projected increased costs consist of an additional \$250 for new docket applications; \$125 for petitions for declaratory ruling, tower sharing applications and exempt modifications; and \$50 for statement of intent to acquire real property.

Is a regulatory flexibility analysis required pursuant to C.G.S. §4-168a? Yes.

¹ These calculations are based on the Annual Retail Gross Revenue amounts reported for energy companies engaged in energy sales in the state in the Council's Fiscal Year 2012 Assessments by Industry pursuant to C.G.S. §16-50v.